

RECEIVED

JUN 12 2003

BILL LOCKYER, Attorney General
of the State of California
RONALD L. DIEDRICH, State Bar No. 95146
Deputy Attorney General
California Department of Justice
1300 I Street, Suite 125
P.O. Box 944255
Sacramento, California 94244-2550
Telephone: (916) 324-5333
Facsimile: (916) 327-8643
E-mail: ron.diedrich@doj.ca.gov

Attorneys for Complainant

**BEFORE THE
CALIFORNIA BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

ERNEST C. ROBERTS
5803 21st Avenue
Sacramento, CA 95820

Certificate No. CPA 6733

Respondent.

Case No. AC-2003-10

OAH No. N2003040575

**STIPULATED SURRENDER OF
LICENSE AND ORDER**

IT IS HEREBY STIPULATED AND AGREED by and between the parties in this proceeding that the following matters are true:

PARTIES

1. Carol Sigmann ("Complainant") is the Executive Officer of the California Board of Accountancy ("Board"), Department of Consumer Affairs. Complainant brought this action solely in her official capacity and is represented in this matter by Bill Lockyer, Attorney General of the State of California, by Ronald L. Diedrich, Deputy Attorney General.

2. Ernest C. Roberts is represented in this matter by Roy J. Fleischer, Sr., Esq., whose address is 1611 "S" Street, Suite 200, Sacramento, California, 95814.

1 3. On or about June 18, 1957, the Board issued Certificate Number CPA
2 6733 to Respondent. The certificate was in full force and effect at all time relevant to the charges
3 brought in this action, and will expire on September 1, 2004, unless renewed.

4 JURISDICTION

5 4. Accusation No. AC-2003-10 was filed before the Board, and is currently
6 pending against Respondent. The Accusation, together with all other statutorily required
7 documents, were properly served on Respondent on February 27, 2003. Respondent timely filed
8 a Notice of Defense contesting the Accusation. A copy of Accusation No. AC-2002-10 is
9 attached as exhibit A and incorporated herein by reference.

10 ADVISEMENT AND WAIVERS

11 5. Respondent has discussed with counsel, carefully read and understands the
12 charges and allegations in Accusation No. AC-2003-10. Respondent also has discussed with
13 counsel, carefully read, considered and understands the effects of this Stipulated Surrender of
14 License and Order.

15 6. Respondent is fully aware of his legal rights in this matter, including the
16 right to a hearing on the charges and allegations in the Accusation; the right to be represented by
17 counsel, at his own expense; the right to confront and cross-examine the witnesses against him;
18 the right to present evidence and to testify on his own behalf; the right to the issuance of
19 subpoenas to compel the attendance of witnesses and the production of documents; the right to
20 reconsideration and court review of an adverse decision; and all other rights accorded by the
21 California Administrative Procedure Act and other applicable laws.

22 7. Respondent voluntarily, knowingly, intelligently, and upon the advice of
23 counsel, waives and gives up each and every right set forth above.

24 CULPABILITY

25 8. Respondent agrees and acknowledges that the legal and factual allegations
26 in Accusation No. AC-2003-10, if proven at hearing, would constitute cause for imposing
27 discipline on his Certificate No. CPA 6733. For purposes of resolving Accusation No. AC-2003-
28 10, Respondent also agrees and acknowledges that at a hearing the Complainant could establish

such allegations.

9. Respondent agrees and acknowledges, that for the purposes of resolving Accusation No. AC-2003-10, and any future proceeding or other litigation before the Board or to which the Board is a party, the legal and factual allegations set forth in the Accusation No. AC-2003-10 will be deemed true and not subject to contest.

10. Respondent understands and agrees that on the effective date of the Board's Decision and Order accepting the surrender of his Certificate No. CPA 6733, he will lose the right to practice as a certified public accountant ("C.P.A.") in California.

11. Respondent understands and agrees that the surrender of his Certificate No. CPA 6733, and the circumstances surrounding that surrender, are part of his license history with the Board. If inquiry is made to the Board regarding the status of his Certificate No. CPA 6733, it will be reported that it was surrendered.

12. Respondent understands that by signing this stipulation he enables the Board to issue its Order, as described below, accepting the surrender of his Certificate No. CPA 6733.

CONTINGENCY

13. This stipulation shall be subject to approval by the Board. Respondent understands and agrees that the Board's staff and counsel for Complainant may communicate directly with the Board regarding this stipulation and settlement, without notice to or participation by Respondent or his counsel. By signing the stipulation, Respondent understands and agrees that he may not withdraw his agreement or seek to rescind the stipulation prior to the time the Board considers and acts upon it. If the Board fails to adopt this stipulation as its Decision and Order, the Stipulated Surrender of License and Order shall be of no force or effect. Except for this paragraph, it shall be inadmissible in any legal action between the parties, and the Board shall not be disqualified from further action by having considered this matter.

12. The parties understand and agree that facsimile and/or photo-duplicate copies of this Stipulated Surrender of License and Order, including facsimile and/or photo-duplicate signatures thereto, shall have the same force and effect as the originals.

1 13. In consideration of the foregoing, the parties agree that the Board may,
2 without further notice or formal proceeding, issue and enter the following Order:

3 **ORDER**

4 IT IS HEREBY ORDERED that Certificate No. CPA 6733 issued to Ernest C.
5 Roberts is surrendered and accepted by the California Board of Accountancy upon the following
6 terms and conditions:

7 A. Respondent shall lose all rights and privileges as a certified public
8 accountant in California as of the effective date of the Board's Decision and Order.

9 B. Respondent shall cause to be promptly delivered to the Board his
10 certificate on or before the effective date of the Decision and Order.

11 C. Respondent shall not be eligible to apply for licensure by the Board or
12 petition for reinstatement by the Board until at least three (3) years has elapsed from the effective
13 date of the Decision and Order.

14 D. If Respondent ever applies for re-licensure or petitions for reinstatement,
15 the Board shall treat it as a petition for reinstatement. Respondent must comply with all the laws,
16 regulations and procedures for reinstatement in effect at the time the application or petition is
17 filed, and all of the charges and allegations contained in Accusation No. AC-2003-10 will be
18 deemed to be true, correct and admitted by Respondent when the Board determines whether to
19 grant or deny the application or petition.

20 E. In addition to any other costs or fees Respondent may be required to pay
21 should he ever apply for re-licensure or petition for reinstatement, Respondent shall be required
22 to pay to the Board the sum of \$7,174.65, which is the reasonable cost of investigating and
23 enforcing this case, at the time he applies for re-licensure or petitions for reinstatement. Failure
24 to make such a payment shall, in and of itself, be sufficient grounds to deny Respondent's
25 application or petition.

26 ///

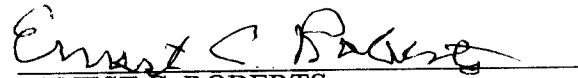
27 ///

28 ///

1 ACCEPTANCE


2 I have carefully read, discussed with counsel, and considered the above Stipulated
3 Surrender of License and Order. I understand the stipulation and the effect it will have on my
4 Certificate No. CPA 6733. I enter into this Stipulated Surrender of License and Order
5 voluntarily, knowingly, intelligently, and upon the advice of counsel, and agree to be bound by
6 the Decision and Order of the Board.

7
8 DATED: 6/11/03.


ERNEST C. ROBERTS
Respondent

9
10 I have read and fully discussed with Respondent the terms and conditions and
11 other matters contained in the above Stipulated Surrender of License and Order. I approve its
12 form and content.

13
14 DATED: 6/12/03.

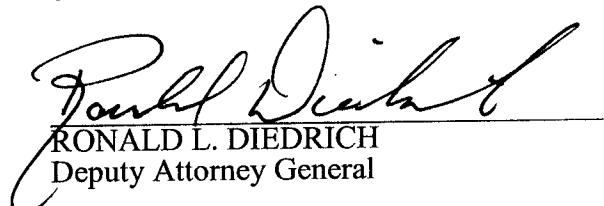

ROY J. FLEISCHER, SR., ESQ.
Attorney for Respondent

15
16
17
18 ENDORSEMENT

19 The foregoing Stipulated Surrender of License and Order is hereby respectfully
20 submitted for consideration by the Board.

21
22 DATED: 06-17-03.

BILL LOCKYER, Attorney General
of the State of California


RONALD L. DIEDRICH
Deputy Attorney General
Attorneys for Complainant

23
24
25
26
27
28 C:\DAT\Licensing\Accounting\Ernest Roberts\Stipulated Surrender and Order.wpd

**BEFORE THE
CALIFORNIA BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

ERNEST C. ROBERTS
5803 21ST AVENUE
SACRAMENTO, CA 95820

Certified Public Accountant
Certificate No. 6733

Respondent

Case No. AC-2003-10

OAH No. N 2003040575

DECISION AND ORDER

The attached Stipulated Surrender of License and Order is hereby adopted by the CALIFORNIA BOARD OF ACCOUNTANCY as its Decision in the above-entitled matter.

This Decision shall become effective on August 29, 2003.

IT IS SO ORDERED July 30, 2003.

CALIFORNIA BOARD OF ACCOUNTANCY

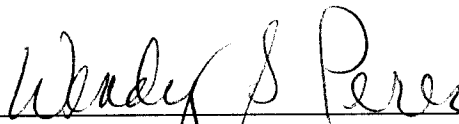

By WENDY S. PEREZ, CPA
PRESIDENT, CALIFORNIA BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS

Exhibit A
Accusation No. AC-2003-10

ERNEST C. ROBERTS, C.P.A.
STIPULATED SURRENDER OF
LICENSE AND ORDER, CASE NO. AC-2003-10

BILL LOCKYER, Attorney General
of the State of California
RONALD L. DIEDRICH, State Bar No. 95146
Deputy Attorney General
California Department of Justice
1300 I Street, Suite 125
P.O. Box 944255
Sacramento, CA 94244-2550
Telephone: (916) 324-5333
Facsimile: (916) 327-8643
E-mail: ron.diedrich@doj.ca.gov

Attorneys for Complainant

**BEFORE THE
CALIFORNIA BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

Case No. AC-2003-10

ERNEST C. ROBERTS
5803 21st Avenue
Sacramento, California 95820

Certificate No. CPA 6733

ACCUSATION

Respondent.

Complainant alleges:

PARTIES

1. Carol Sigmann ("Complainant") brings this Accusation solely in her official capacity as the Executive Officer of the California Board of Accountancy ("Board"), Department of Consumer Affairs, State of California.

2. On or about June 18, 1957, the Board issued Certificate Number CPA 6733 to Ernest C. Roberts ("Respondent"). The certificate was in full force and effect at all times relevant to the charges brought herein and will expire on September 1, 2004, unless renewed.

///

///

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28
- 29
- 30
- 31
- 32
- 33
- 34
- 35
- 36
- 37
- 38
- 39
- 40
- 41
- 42
- 43
- 44
- 45
- 46
- 47
- 48
- 49
- 50
- 51
- 52
- 53
- 54
- 55
- 56
- 57
- 58
- 59
- 60
- 61
- 62
- 63
- 64
- 65
- 66
- 67
- 68
- 69
- 70
- 71
- 72
- 73
- 74
- 75
- 76
- 77
- 78
- 79
- 80
- 81
- 82
- 83
- 84
- 85
- 86
- 87
- 88
- 89
- 90
- 91
- 92
- 93
- 94
- 95
- 96
- 97
- 98
- 99
- 100
- 101
- 102
- 103
- 104
- 105
- 106
- 107
- 108
- 109
- 110
- 111
- 112
- 113
- 114
- 115
- 116
- 117
- 118
- 119
- 120
- 121
- 122
- 123
- 124
- 125
- 126
- 127
- 128
- 129
- 130
- 131
- 132
- 133
- 134
- 135
- 136
- 137
- 138
- 139
- 140
- 141
- 142
- 143
- 144
- 145
- 146
- 147
- 148
- 149
- 150
- 151
- 152
- 153
- 154
- 155
- 156
- 157
- 158
- 159
- 160
- 161
- 162
- 163
- 164
- 165
- 166
- 167
- 168
- 169
- 170
- 171
- 172
- 173
- 174
- 175
- 176
- 177
- 178
- 179
- 180
- 181
- 182
- 183
- 184
- 185
- 186
- 187
- 188
- 189
- 190
- 191
- 192
- 193
- 194
- 195
- 196
- 197
- 198
- 199
- 200
- 201
- 202
- 203
- 204
- 205
- 206
- 207
- 208
- 209
- 210
- 211
- 212
- 213
- 214
- 215
- 216
- 217
- 218
- 219
- 220
- 221
- 222
- 223
- 224
- 225
- 226
- 227
- 228
- 229
- 230
- 231
- 232
- 233
- 234
- 235
- 236
- 237
- 238
- 239
- 240
- 241
- 242
- 243
- 244
- 245
- 246
- 247
- 248
- 249
- 250
- 251
- 252
- 253
- 254
- 255
- 256
- 257
- 258
- 259
- 260
- 261
- 262
- 263
- 264
- 265
- 266
- 267
- 268
- 269
- 270
- 271
- 272
- 273
- 274
- 275
- 276
- 277
- 278
- 279
- 280
- 281
- 282
- 283
- 284
- 285
- 286
- 287
- 288
- 289
- 290
- 291
- 292
- 293
- 294
- 295
- 296
- 297
- 298
- 299
- 300
- 301
- 302
- 303
- 304
- 305
- 306
- 307
- 308
- 309
- 310
- 311
- 312
- 313
- 314
- 315
- 316
- 317
- 318
- 319
- 320
- 321
- 322
- 323
- 324
- 325
- 326
- 327
- 328
- 329
- 330
- 331
- 332
- 333
- 334
- 335
- 336
- 337
- 338
- 339
- 340
- 341
- 342
- 343
- 344
- 345
- 346
- 347
- 348
- 349
- 350
- 351
- 352
- 353
- 354
- 355
- 356
- 357
- 358
- 359
- 360
- 361
- 362
- 363
- 364
- 365
- 366
- 367
- 368
- 369
- 370
- 371
- 372
- 373
- 374
- 375
- 376
- 377
- 378
- 379
- 380
- 381
- 382
- 383
- 384
- 385
- 386
- 387
- 388
- 389
- 390
- 391
- 392
- 393
- 394
- 395
- 396
- 397
- 398
- 399
- 400
- 401
- 402
- 403
- 404
- 405
- 406
- 407
- 408
- 409
- 410
- 411
- 412
- 413
- 414
- 415
- 416
- 417
- 418
- 419
- 420
- 421
- 422
- 423
- 424
- 425
- 426
- 427
- 428
- 429
- 430
- 431
- 432
- 433
- 434
- 435
- 436
- 437
- 438
- 439
- 440
- 441
- 442
- 443
- 444
- 445
- 446
- 447
- 448
- 449
- 450
- 451
- 452
- 453
- 454
- 455
- 456
- 457
- 458
- 459
- 460
- 461
- 462
- 463
- 464
- 465
- 466
- 467
- 468
- 469
- 470
- 471
- 472
- 473
- 474
- 475
- 476
- 477
- 478
- 479
- 480
- 481
- 482
- 483
- 484
- 485
- 486
- 487
- 488
- 489
- 490
- 491
- 492
- 493
- 494
- 495
- 496
- 497
- 498
- 499
- 500
- 501
- 502
- 503
- 504
- 505
- 506
- 507
- 508
- 509
- 510
- 511
- 512
- 513
- 514
- 515
- 516
- 517
- 518
- 519
- 520
- 521
- 522
- 523
- 524
-

3.

4
5
6

7

8

Q

10
11

13

14

16
17
18
19
20
21

2
2
2

2

2

22

1 | accountancy.

7. On or about April 30, 2001, Respondent issued reports with accompanying financial statements in which he dishonestly states that he conducted an audit for Hope Four You Two, Inc., for the year ended December 31, 2000, in accordance with generally accepted auditing standards and *Government Auditing Standards*, as issued by the Comptroller of the United States. In fact, Respondent did not perform said audit.

SECOND CAUSE FOR DISCIPLINE

(Unprofessional Conduct - Misleading Financial Statements)

8. Respondent is also subject to disciplinary action under Code section 5100, subdivision (i), in that Respondent knowingly published or disseminated a false, fraudulent, or materially misleading financial statement, report or information.

13 9. On or about April 30, 2001, Respondent issued reports with accompanying
14 financial statements in which he falsely states that he conducted an audit for Hope Four You
15 Two, Inc., for the year ended December 31, 2000, in accordance with generally accepted auditing
16 standards and *Government Auditing Standards*, as issued by the Comptroller of the United States.
17 Respondent issued said reports knowing that he had not in fact performed said audit.

18 |||

19 |||

20 |||

21 |||

22 |||

23 |||

24 |||

25 |||

26 |||

27 |||

28 |||

1 **PRAYER**

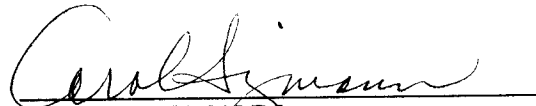
2 WHEREFORE, Complainant requests that a hearing be held on the matters herein
3 alleged, and that following the hearing, the California Board of Accountancy issue a decision:

4 1. Revoking, suspending or otherwise imposing discipline upon Certificate
5 Number CPA 6733, issued to Ernest C. Roberts;

6 2. Ordering Ernest C. Roberts to pay the California Board of Accountancy
7 the reasonable costs of the investigation and enforcement of this case, pursuant to Business and
8 Professions Code section 5107; and,

9 3. Taking such other and further action as deemed necessary and proper.

10
11 DATED: February 21, 2003

12
13 
14 CAROL SIGMANN
15 Executive Officer
16 California Board of Accountancy
17 Department of Consumer Affairs
18 State of California
19 Complainant
20
21
22
23
24
25
26
27
28